James Heist/WHQ/HUDOIG
04/12/2004 12:37 PM

To OIG RIGAs
cc
bcc
Subject Next Conference Call

I'm going to wait until next Monday to have our next conference call, partly due to today's satellite broadcast. Also, we have some budget meetings later this week so there will probably be more to talk about.

I did want to pass on that Donohue made a decision on distributing the FTE cut that I had previously mentioned (i.e., the cut from 675 to 660). As you know our ceiling has been 303 for some time. In an unrelated action, that number was reduced a couple of weeks ago to 302 - what happened was that the two computer forensic auditors working for Curtis were transferred to OI. We only had to give up one FTE (from Curtis' staff) because Curtis' staff is still doing data mining for OI. From that revised FTE, we fared quite well in the decision. Our revised FTE now is 301. OI's is now 308.

Now for the challenging news. There is increasing possibility of more reductions as our budget situation for '05 becomes clearer. For that reason, I am holding off any decision on who will take the one FTE hit to get us from 302 to 301. We will continue to be under a hiring freeze for the foreseeable future. Also, Joe and I have been directed to look for opportunities to reduce our operating budgets, so as to minimize any impact on FTE. That budget scrub is underway as you know.

E